

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 27, 2024

DEPARTMENT: Electric Utility

TITLE:

Amendment to Agreement with Reinhausen Manufacturing, Inc. to furnish and install Dissolved Gas Monitors for analysis of power transformers cooling oil

SUMMARY:

Amendment to Agreement with Reinhausen Manufacturing, Inc. for additional Three-Gas Monitors. This project has been identified as an element of the City's electric utility System Hardening and Reliability Improvement Project (SHRIP) and for which bonds were sold in November 2020.

BACKGROUND AND JUSTIFICATION:

The City Commissioners approved purchase of Dissolved Gas Monitors for the analysis of cooling oil in power transformers on January 30, 2024, from Reinhausen Manufacturing, Inc, and from Plan B Solutions, LLC.

The City Terminated the Agreement with Plan B Solutions, LLC for \$73,749.78, as the Three-Gas Monitors to be provided did not meet the required specifications. Reinhausen Manufacturing, Inc. Three-Gas Monitors do comply with the specification and will be procured for the cost of \$73,749.78 without any fiscal impact to the City.

In accordance with the City's procurement code, section 2-112 (g), City may waive the competitive selection procedures if the goods and/or services sought cannot reasonably be acquired through the normal competitive selection process. The Electric Utility plans to install Dissolved Gas Monitors on all substation power transformers as part of the numerous hardening and reliability improvements to the City's electrical systems. Early detection of dissolved gases in transformer cooling oil is critical in scheduling maintenance and repair to prevent transformer damage and possible catastrophic failure.

MOTION:

Move to approve/disapprove the Amendment to Agreement for Dissolved Gas Monitors with Reinhausen Manufacturing, Inc. at a cost not to exceed \$73,749.78.

ATTACHMENT(S):

Fiscal Impact Analysis
First Amendment
Plan B Cancellation
Reinhausen Offer

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

| Fiscal Years | 2024 | 2025 | 2026 | 2027 | 2028 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|
| Inflows/Revenues | | | | | |
| Appropriated (Budgeted) | 0 | 0 | 0 | 0 | 0 |
| Program Income | 0 | 0 | 0 | 0 | 0 |
| Grants | 0 | 0 | 0 | 0 | 0 |
| In Kind | 0 | 0 | 0 | 0 | 0 |
| Outflows/Expenditures | | | | | |
| Appropriated (Budgeted) | \$73,749.78 | 0 | 0 | 0 | 0 |
| Operating | 0 | 0 | 0 | 0 | 0 |
| Capital | 0 | 0 | 0 | 0 | 0 |
| Net Fiscal Impact | | | | | |
| <i>(If not budgeted)</i> | 0 | 0 | 0 | 0 | 0 |
| No. of Addn'l Full-Time | | | | | |
| Employee Positions | 0 | 0 | 0 | 0 | 0 |

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|---|---|
| Contract Award - Existing Appropriation (Budgeted) | |
| | Expenditure |
| Department | Electric Utility |
| Division | Transmission and Distribution |
| GL Description | Improve other than Build / Infrastructure |
| GL Account Number | 421-6034-531-63.15 |
| Project Number | SH2215 |
| Requested Funds | \$73,749.78 |
| Remaining Balance | \$1,250.22 |
| Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.) | Series 2022 Consolidated Utility Revenue Bond |